

Amrapali Fincap Limited
CIN: U74999GJ2004PLC044988
Registered Office: 19 - 20 - 21, 3rd Floor, Narayan Chambers,
Behind Patang Hotel, Ashram Road, Ahmedabad – 380 009
Phone: +91 79 26575105 / 06 | **Fax:** +91 79 26584313
Email: investors@amrapali.co.in | **Website:** www.amrapali.co.in

POSTAL BALLOT NOTICE

[Notice Pursuant to Section 110 of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014]

Notice is hereby given, pursuant to provisions of Section 110 and any other applicable provisions, if any, of the Companies Act, 2013, (“the Act”) read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and Secretarial Standard - 2 (SS-2), that the Company is seeking the Members’ consent to pass the Special Resolution by way of Postal Ballot for variation in terms of Contracts or objects in prospectus dated July 15, 2015 under section 13 read with section 27 of the act.

The proposed resolutions and Explanatory Statement setting out the material facts and the reasons thereof are appended to the Postal Ballot Notice for your consideration. A Postal Ballot Form is also annexed hereto for your consideration and voting. The Postal Ballot Notice along with the Postal Ballot Form is also uploaded on the website of the Company.

As required under Rule 22(3) of the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and SS-2, advertisement for dispatch of notice will be published in the newspapers specifying the relevant matters therein. Further, in terms of Section 13 read with Section 27, the advertisement setting out specified details for variation of terms of contracts or objects in prospectus will also be published in the newspapers.

The Board of Directors of the Company has appointed Mr. Anand Lavingia, Practicing Company Secretary, as the Scrutinizer for conducting the postal ballot process in a fair and transparent manner. The details of his contact information are provided under Notes.

Members desiring to exercise their vote by postal ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the same duly completed in the enclosed self-addressed Business Reply Envelope. Postage will be borne and paid by the Company. Postal Ballot Form(s), if sent by courier or by registered post / speed post at the expense of the Member(s) will also be accepted. The Postal Ballot Form(s) may also be deposited personally at the registered office of the Company. The duly completed Postal Ballot Form(s) should reach the Scrutinizer not later than 5.00 p.m. on Monday, March 28, 2016 to be eligible for being considered, failing which it shall be considered as invalid.

The Scrutinizer will submit his report to the Managing Director/ any other Director of the Company after the completion of the scrutiny of the postal ballots. The result of the postal ballot would be announced by the Managing Director or any other Director of the Company on Tuesday, March 29, 2016 and displayed on the Notice Board of the company at its Registered Office besides being communicated to the Stock Exchanges. The results will also be displayed on the website of the Company i.e. www.amrapali.co.in, for the information of the Members.

Resolution:

Item No. 1: Variation in terms of Contracts or objects in Prospectus dated July 14, 2015:

To consider and, if thought fit, to pass the following resolutions as Special Resolutions:

“RESOLVED THAT pursuant to the provisions of Section 27 read with Section 13(8) and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under (including any statutory modifications or re-enactments thereof for the time being in force) and other applicable rules, regulations, guidelines and statutory provisions for the time being in force and such other approvals, permissions and sanctions, if any, as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called the “Board” which term shall be deemed to include any committee which the Board may have constituted or that it will hereinafter constitute to exercise its powers including the powers conferred by this resolution) to vary and / or revise the utilization of the proceeds from the Initial Public Offering (“IPO”) of equity shares made in pursuance of the Prospectus dated July 14, 2015 and filed with Registrar of the Companies,

Gujarat and Dadra & Nagar Haveli and to utilize the proceeds from the IPO for purposes, other than those mentioned in the Prospectus, as mentioned in the explanatory statement.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things, deal with such matters, take necessary steps in the matter as the Board may in its absolute discretion deem necessary, desirable or expedient and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the members or otherwise to their end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any committee of directors or any other officer(s) / authorized representative(s) of the Company to give effect to the aforesaid resolution.”

**By order of the Board of Directors
For Amrapali Fincap Limited**

Date: February 26, 2016
Place: Ahmedabad

**Hasmukh Thakkar
Managing Director
DIN: 00071065**

Notes:

1. The statement pursuant to Section 102 of the Act stating all material facts and the reasons for the proposal is annexed herewith.
2. The Postal Ballot Notice is being sent to the Members whose names appear on the Register of Members / List of Beneficial Owners as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited as on February 19, 2016. The Postal Ballot Notice is being sent to Members in electronic form to the email addresses registered with their Depository Participants (in case of electronic shareholding) / the Company's Registrar and Share Transfer Agents (in case of physical shareholding). For Members whose email IDs are not registered, physical copies of the Postal Ballot Notice are being sent by permitted mode along with postage prepaid self-addressed Business Reply Envelope.
3. Members whose names appear on the Register of Members / List of Beneficial Owners as on February 19, 2016 will be considered for the purpose of voting.
4. Resolutions passed by the Members through postal ballot are deemed to have been passed as if they have been passed at a General Meeting of the Members.
5. In case a Member is desirous of obtaining a printed Postal Ballot Form or a duplicate, he or she may send an e-mail to investors@amrapali.co.in. The Registrar and Transfer Agent / Company shall forward the same along with postage prepaid self-addressed Business Reply Envelope to the Member.
6. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Members as on February 19, 2016.
7. A Member cannot exercise his vote by proxy on postal ballot.
8. Members desiring to exercise their vote by physical postal ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed and signed, in the enclosed self-addressed Business Reply Envelope to the Scrutinizer, so that it reaches the Scrutinizer not later than close of working hours (i.e. 05:00 p.m.) on March 28, 2016. If any postal ballot is received after 05:00 p.m. on Monday, March 28, 2016, it will be considered that no reply from the Member has been received.
9. Postal Ballot Form duly completed and signed may be sent to following person;

Mr. Anand S Lavingia Scrutinizer Amrapali Fincap Limited 415-416, "Pushpam", Opp. Seema Hall, Anandnagar Road, Satellite, Ahmedabad - 380 015 Gujarat, India E-mail: krishivadvisory@gmail.com	Mr. Tushar Donda Company Secretary & Compliance Officer Amrapali Fincap Limited 19, 20,21 Narayan Chambers, 3rd Floor, Behind Patan Hotel, Ashram Road, Ahmedabad - 380 009 Gujarat, India E-mail: investors@amrapali.co.in
--	---
10. The postage will be borne by the Company. However, envelopes containing postal ballots, if sent by courier or registered / speed post at the expense of the Members will also be accepted.
11. The Scrutinizer will submit his report to the Chairman after the completion of scrutiny, and the result of the voting by postal ballot will be announced by the Chairman or any Director of the Company duly authorized, Tuesday, March 29, 2016 at the registered office and will also be displayed on the website of the Company (www.amrapali.co.in), besides being communicated to the Stock Exchanges on the said date.
12. The resolution, if passed by requisite majority, shall be deemed to have been passed on the last date specified by the Company for the receipt of duly completed postal ballot forms i.e. on March 28, 2016.
13. All the material documents referred to in the explanatory statement will be available for inspection at the registered office of the Company during office hours on all working days from the date of dispatch of the Notice till March 28, 2016.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

The members at their Extra-Ordinary General Meeting of the Company held on May 11, 2015 had approved an Initial Public offer ("IPO") of the equity shares of the Company. Accordingly, the Company had undertaken an IPO through the Fix Price Issue route which comprised a fresh issue of 35,40,000 equity shares of face value Rs. 10/- at a premium of Rs. 110/- per equity share to the general public aggregating to Rs. 4248.00 Lacs of which 1,77,600 Equity Shares of Rs. 10/- each were reserved for subscription by Market Maker to the Issue.

A. The original purpose or object of the issue:

In the prospectus dated July 14, 2015, the Company had specified the utilization of the proceeds of the fresh issue by the Company under the section titled "Objects of the Issue" which is as follows;

Sr. No.	Particulars	Amount (Rs. in Lacs)
A.	Purchase and set up of the office space in Ahmedabad	1496.00
B.	Investment in NBFC Company	2300.00
C.	General Corporate Expenses	412.00
D.	Meet the Issue Expenses	40.00
	Total	4248.00

B. Total Money Received:

The company has received Rs. 4248.00 Lacs through Initial Public Offer made by the Company.

C. Total Money Utilized and Un-utilized for the objects stated in the Prospectus and extent of achievement of proposed objects:

The total money utilized for the objects of the Company stated in the prospectus, the extent of achievement of proposed objects and the unutilized money out of the money so raised through prospectus are as follows;

(Rs. in Lacs)

Sr. No.	Particulars	Amount As stated in Prospectus	Amount Utilized up to February 25, 2016	% of Utilization of total Fund	Amount Un-Utilized up to February 25, 2016
A.	Purchase and set up of the office space in Ahmedabad	1496.00	1496.00	100.00	0.00
B.	Investment in NBFC Company	2300.00	2300.00	100.00	0.00
C.	General Corporate Expenses	412.00	412.00	100.00	0.00
D.	Meet the Issue Expenses	40.00	25.00	62.50	15.00
	Total	4248.00	4233.00	--	15.00

D. The particulars of the proposed alteration or change in the objects:

(Rs. in Lacs)

Sr. No.	Particulars	Amount As stated in Prospectus	Revised/Proposed Utilization
1.	Purchase and set up of the office space in Ahmedabad	1496.00	Nil
2.	Investment in NBFC Company	2300.00	Nil
3.	General Corporate Expenses	412.00	412.00
4.	Meet the Issue Expenses	40.00	25.00
5.	Business Deposits in Devfun Point Reality Private limited	0.00	3811.00
	Total	4248.00	4248.00

E. The reason and justification for the alteration or change in the Object:

1. Purchase and set up of the office space in Ahmedabad:

The company has entered into agreement to sale for purchase of office premises in Lake View Tower, Vastrapur, Ahmedabad at a value of Rs 1411.40 lacs on May 30, 2015. The Company had paid advance of Rs. 5,00,00,000/- towards booking amount to Ashrita Construction private Limited (ACPL). The offices premise was booked keeping in mind future growth in NBFC activity. However, the Reserve Bank of India has rejected the proposal for takeover of Maulesh Investment Private Limited, the plan of the company to carry out the investment activity and future growth of plan has been derailed. Therefore, the Board of Directors proposes to invest the said fund in income generating activity rather than unproductive activity. The Board of Directors proposes to recall the said fund and infuse the same as business deposit in Devfun Point Reality Private limited, (DPRPL). DPRPL has set up Dev Comfort, a 68 room hotel property situated on S.G. Highway, Ahmedabad. Further, DPRPL have agreed to share 20% of gross revenue against the business deposit.

2. Investment in NBFC Company:

The company has entered into an MOU dated April 11, 2015 with Maulesh Investment Private Limited (MIPL) represented by Maulesh Hasmukhbhai Shah for himself and on behalf of other directors as well as for the share holders of the MIPL for acquiring 100% shareholding of the MIPL. The payment amounting to Rs 1,32,67,200 towards share capital has been already made and an application for the change in management as well as shareholding of the company has been made to RBI vide letter dated May 04, 2015. The RBI had rejected the application for change in management/control of MIPL. The Board of directors of the Company, therefore, has decided not to infuse the funds in a company where there is no control. Accordingly, the Board of Directors proposes to recall the fund deployed in MIPL and infuse the same as business deposit in DPRPL. DPRPL has set up Dev Comfort, a 68 room hotel property situated on S.G. Highway, Ahmedabad. Further, DPRPL have agreed to share 20% of gross revenue against the business deposit.

3. Meet the Issue Expenses:

The expenses for this Issue include issue management fees, printing and distribution expenses, legal fees, advertisement expenses, depository charges and listing fees to the Stock Exchange, among others. The total expenses for this Issue are estimated not to exceed Rs. 40.00 Lacs. The actual expenses incurred are Rs. 25 Lacs. Hence the Board of Directors proposes to utilize the balance fund of Rs. 15 Lacs as business deposit in to DPRPL. DPRPL have agreed to share 20% of gross revenue against the business deposit.

F. The Revised/Varied/Proposed Object for the Utilization of Fund:

Sr. No.	Particulars	Amount (Rs. in Lacs)
A.	Business Deposits in Devfun Point Reality Private limited	3811.00
	Total	3811.00

Devfun Point Reality Private Limited (DPRPL), a company registered under the Companies Act, 1956 having its registered office situated at C/o Dev Comfort Hotel, Nr. Fun Point Club, Beside Kargil Petrol Pump, Sola Road, Ahmedabad, Gujarat, India - 380058. The DPRPL is engaged in the business of Hotel having 68 rooms, restaurants, having Banquets halls for 400 pax and party plot for party of 1000 pax which helps into burgeoning marriage/social events etc.

Looking to the present scenario for various social event, DPRPL is required to developed the entire patch and ready to share strategic benefit out of its existing business hence the Board of Directors of the Company are proposed to give the business deposit to DPRPL. DPRPL is already running said business activity since last 6 (Six) years and already achieved a momentum. Because of all above ground, our company can earn revenue immediately. Hence, the Board of Directors has proposed to give business deposit to the DPRPL.

G. The risk factors pertaining to the new objects:

The Company plans to utilize the unutilized fund into DPRPL which is engaged in the business of Hotels and Restaurant. The business, financial condition, results of operations and prospects of DPRPL depend on a variety of general economic and industry-specific factors. The fine dining sector of the restaurant industry is highly fragmented and competitive and is affected by changes in national, regional and local economic conditions, consumer credit, taxation, unemployment and changing demographic trends. In periods of economic uncertainty, consumers tend to decrease their discretionary, restaurant spending, which may materially and adversely affect our business, financial condition, results of operations and

prospects. The performance of DPRPL may also be adversely affected by factors such as changing guest traffic patterns and the establishment of nearby competing restaurants. In response to such developments, they may need to increase our marketing efforts, adjust their pricing or take other actions, which may adversely affect our sharing in aggregate revenue. These factors are generally beyond our control, and our ability to manage the risks they present is important to our operations. Reduced guest traffic in their restaurants for any reason, increased costs of doing business or reduced prices for their products as a result of these or other considerations could adversely affect our business, financial condition, results of operations and prospects.

H. Implementation of Schedule:

Sr. No.	Particulars	Month
A.	Business Deposits in Devfun Point Reality Private limited	Upto May, 2016

Pursuant to the provisions of Section 13 read with Section 27 of the Companies Act, 2013, the Company shall not vary the terms referred to in the Prospectus except subject to the approval of or except on authority given by the company in a general meeting by way of Special Resolution.

Further, in terms of Section 13 read with Section 27 of the Companies Act, 2013, when the Company vary the contracts or objects in prospectus, the promoters or controlling shareholders shall give exit opportunity, at such exit price and in such manner and conditions as may be specified by the Securities and Exchange Board by making regulations in this behalf, to the dissenting shareholders being those shareholders who have not agreed to the proposal to vary the terms of contracts or objects referred to in the prospectus. However, till date, the Securities and Exchange Board of India (SEBI) has not prescribed any guidelines, rule, regulation etc. for giving the exit opportunity to the dissenting Shareholders. The Promoters of the Company has undertaken to give the Exit opportunity to dissenting Shareholders, as and when prescribed by the SEBI, in such manner as may be prescribed by the SEBI.

Accordingly, now, it is considered appropriate to seek the approval and ratification of the members to confer authority in favor of the Board for utilization of the unutilized portion of the IPO proceeds for purposes other than those stated in the Prospectus. Accordingly, approval and ratification of the Members is sought by way of Special Resolution as set above in the notice.

The Board of Directors accordingly recommends the special resolution set out in the accompanying Notice for the approval and ratification of the Members. Your approval and ratification is sought by voting by Postal Ballot in terms of provisions of Section 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014.

None of the Directors, KMP and relative thereof of the Company is, in any way, concerned or interested in the aforesaid resolution except Mr. Chirag Thakkar and his relatives to the extent of their shareholding and Directorship, as the case may be, in DPRPL.

**By order of the Board of Directors
For Amrapali Fincap Limited**

Date: February 26, 2016
Place: Ahmedabad

**Hasmukh Thakkar
Managing Director
DIN: 00071065**